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Financial reports and audited financial statements, and reports of the Board of Auditors

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2013

Report of the Secretary-General

Summary

The present report provides additional information in response to the recommendations of the Board of Auditors contained in its report on the United Nations peacekeeping operations for the 12-month period ended 30 June 2013 (A/68/5 (Vol. II)). The report is submitted in accordance with paragraph 7 of General Assembly resolution 48/216 B, in which the Secretary-General was requested to report to the Assembly, at the same time as the Board of Auditors submitted its recommendations to the Assembly, on measures taken or to be taken to implement those recommendations.

The Administration has concurred with the Board's recommendations and many of the Administration's comments have been duly reflected in the report of the Board. The present report only provides additional comments from the Administration, where appropriate, and information on the status of implementation, the department responsible, the estimated completion date and the priority for each recommendation contained in the report of the Board. In addition, the present report contains updated information on the status of implementation of the recommendations of the Board relating to prior periods that were reported by the Board, in annex II to its report, as not having been fully implemented.

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I. Introduction

1. In paragraph 7 of its resolution 48/216 B, the General Assembly requested the Secretary-General to report to it on the measures that would be taken to implement the recommendations of the Board of Auditors at the same time as the report of the Board was submitted to the Assembly. Accordingly, the present report is submitted in response to the recommendations of the Board contained in its report on the accounts of the United Nations peacekeeping operations for the 12-month period ended 30 June 2013 (A/68/5 (Vol. II)).

2. In preparing the present report, account was taken of the provisions of the following documents:

(a) General Assembly resolution 52/212 B, in particular paragraphs 2 to 5, and the note by the Secretary-General transmitting the proposals of the Board for improving the implementation of its recommendations approved by the Assembly (A/52/753, annex);

(b) Paragraph 7 of General Assembly resolution 67/235 B, in which the Assembly requested the Secretary-General to continue to indicate an expected time frame for the implementation of the recommendations of the Board of Auditors and the priorities for their implementation, including the office holders to be held accountable.

3. With regard to prioritization, the Administration noted that the Board had categorized 20 of the 65 recommendations[1] as "main" recommendations. While all accepted recommendations of the Board will be implemented in a timely manner, the main recommendations will be considered to be of the highest priority. The Administration is pleased to note the Board has reported that there was a major improvement in the rate of implementation (55 per cent) of its recommendations for the 2011-2012 financial period compared with the previous period (45 per cent).

4. In paragraph 99 of its report, the Board stated that 2,167 of 8,570 allegations remained open as at October 2013 pending completion of an investigation or of follow-up of actions needed to be taken, mainly by Member States or the Office of Human Resources Management. The Administration would like to clarify that less than 3 per cent of the above cases were pending with Office of Human Resources Management as at October 2013.

5. In tables 1 and 2 the status of implementation of newly issued recommendations as at January 2014 is summarized.

[1] The Board has previously counted recommendations based on the number of paragraphs in which they appeared in its reports. However, if a recommendation has several parts in the same paragraph, the Board is counting each part as a separate recommendation starting with its report on the period ended 30 June 2013 (A/68/5 (Vol. II)).

Table 1
Status of implementation of main recommendations as at January 2014

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented*	*In progress*	*Target date set*	*No target date*
Department of Peacekeeping Operations and Department of Field Support	16	–	3	13	12	1
Department of Peacekeeping Operations, Department of Field Support and Department of Management	2	–	–	2	2	–
Department of Management	2	–	1	1	1	–
Total	**20**	**–**	**4**	**16**	**15**	**1**

6. As indicated in table 1, of the 20 main recommendations issued by the Board, 4 have been implemented and 16 are in progress. Of the 16 main recommendations in progress, 12 are targeted for implementation in 2014 and 3 are due for implementation in 2015. No target date has been set for one recommendation that pertains to ongoing activities.

Table 2
Status of implementation of all recommendations as of January 2014

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented*	*In progress*	*Target date set*	*No target date*
Department of Peacekeeping Operations and Department of Field Support	53	–	12	41	38	3
Department of Peacekeeping Operations, Department of Field Support and Department of Management	3	–	–	3	3	–
Department of Management and Office of Legal Affairs	1	–	–	2	1	1
Department of Management	8	–	2	5	5	–
Total	**65**	**–**	**14**	**51**	**47**	**4**

7. As indicated in table 2, of the 65 recommendations issued by the Board, 14 have been implemented and 51 are in progress. Of the 51 recommendations in progress, 37 are targeted for implementation before the end of 2014 and 10 are due for implementation in 2015. The four recommendations for which no target dates have been set pertain to ongoing activities.

II. Implementation of the recommendations contained in the report of the Board of Auditors

8. The information requested by the General Assembly on the status of implementation of recommendations contained in the report of the Board of Auditors for the financial period ended 30 June 2013 (A/68/5 (Vol. II)) is set out below. As indicated in the summary of the present report, most of the

Administration's comments have already been included in the report of the Board. Accordingly, additional comments are provided only where deemed necessary.

A. Asset management

Long-term "never-used" assets

9. **In paragraph 22 of its report, the Board recommended that the Administration: (a) hold mission management accountable for checking stock levels before undertaking any acquisition activity; and (b) make the Global Service Centre responsible for monitoring missions' key performance indicators to ensure compliance with established asset management policies.**

10. The Administration's comments on the two parts of the recommendation are reflected in paragraphs 21 and 23 of the Board's report.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

Write-off and trans-shipment of the assets of liquidated missions

11. **In paragraph 26 of its report, the Board recommended that the Administration: (a) expedite the write-off process for assets left in the liquidated missions and achieve full disposal by the end of financial year 2013/14; and (b) enhance the management of transferred assets by promptly identifying the entity responsible for loss or damage during transfer-out and transfer-in delivery.**

12. The Administration's comments are reflected in paragraph 27 of the Board's report. In addition, a chapter on liquidation and insurance, which is currently in draft form, will be incorporated in the movement control manual.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2014

Deficiencies in managing sensitive military assets

13. **In paragraph 29 of its report, the Board recommended that the Administration undertake a thorough review of the adequacy of the management of sensitive military assets, such as firearms and ammunition.**

14. The Administration's comments are reflected in paragraph 30 of the Board's report. In addition, the United Nations Interim Administration Mission in Kosovo (UNMIK) implemented necessary measures to address the Board's concerns; in particular, the weapons armoury now meets the established standards. Furthermore, the United Nations Mission in Liberia (UNMIL) disposed of the two Taser guns in October 2013 and with the recruitment of an additional staff member in September

2013, adequate segregation of duties was established at the armoury. The firearms training officer function is now separate from the weapons custodian function.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

B. Procurement and contract management

Acquisition planning

15. **In paragraph 35 of its report, the Board recommended that the Administration establish a formal structured framework to guide acquisition planning processes to enable improved levels of procurement consolidation in peacekeeping operations.**

16. The Administration's comments are reflected in paragraph 37 of the Board's report.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	High
Target date:	Second quarter of 2014

17. **In paragraph 36 of its report, the Board recommended that the Department of Field Support enhance control over the formulation of acquisition planning by establishing: (a) an enhanced review of both the requisition plan and its implementation; and (b) harmonized standard operating procedures for acquisition planning across missions.**

18. The Administration's comments are reflected in paragraph 37 of the Board's report.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	High
Target date:	Second quarter of 2014

Solicitation process

19. **In paragraph 39 of its report, the Board recommended that, in the interest of fairness and transparency, the Procurement Division establish a mechanism to enable all registered vendors to have the opportunity to bid at some point.**

20. The Administration informed the Board that established mechanisms, such as subscription to the Tender Alert Service and requests for expressions of interest on the websites of both the United Nations Global Marketplace and the Procurement Division ensured that all registered vendors had sufficient opportunities to bid. In addition, the Procurement Division would implement a "push notification" mechanism

through existing mobile applications to provide vendors with opportunities to bid free of charge.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2015

21. **In paragraph 40 of the report, the Administration accepted the Board's recommendation that the United Nations Mission in South Sudan (UNMISS): (a) comply with the Procurement Manual by requesting both delivered at place and free carrier prices for solicitations for determination of the best shipping model; and (b) enhance the management and monitoring of shipping terms by establishing guidance on the selection of shipping methods.**

22. UNMISS has initiated actions to implement the two parts of the recommendation.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2014

Contract and vendor management

23. **In paragraph 42 of the report, the Administration accepted the Board's recommendation that it: (a) optimize the availability of prompt payment discount rates during contract negotiations; and (b) establish a mechanism to monitor the implementation of such discounts.**

24. The Administration considers part (a) of the recommendation implemented. The Procurement Division has actively sought to obtain prompt payment discounts with all food ration contractors since 2011. Out of the four contracts signed before 2011 and noted by the Board as active, two have already been replaced with contracts that contain a prompt payment discount and the remaining two will expire in 2014. The Procurement Division will seek to obtain a prompt payment discount with the contractors for those two contracts for the remaining period until their expiration. At the same time, the Administration reiterates its objection to the assertion in the Board's report that if all four ration contracts had had a provision for a prompt payment discount, the United Nations might have achieved savings of between $0.75 million and $1.1 million, since this calculation is based on a number of questionable and unsupportable assumptions by the Board, namely, that the contractors would have submitted the same prices with the assumed prompt payment discount, that the amount of the discount as well as the proposed payment period for such discount would have been the same for all three contracts and that the United Nations would have been able to collect the prompt payment discount in full.

Department responsible:	Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

25. With regard to part (b) of the recommendation, the Field Finance Procedure Guidelines require peacekeeping missions to take advantage of discount terms when possible. The Administration's other comments are reflected in paragraph 43 of the Board's report.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	High
Target date:	Second quarter of 2014

26. **In paragraph 44 of the report, the Procurement Division accepted the Board's recommendation that it enhance the collection of contractor performance reports, and make better use of the information, to facilitate decision-making in contract awards or extensions.**

27. The Administration informed the Board that there are mitigating controls in place for vendor performance evaluations such as: (a) the escalation mechanism when either the Department of Field Support or a procurement officer requests a Vendor Review Committee review; (b) contract termination clauses; and (c) mandatory completion of vendor performance evaluations prior to submission to the Headquarters Committee on Contracts for vendors who have conducted business with the United Nations Secretariat in the past. In addition, with the roll-out of the Umoja system, the vendor performance evaluations will be automated and incorporated in the receipt and inspection function. However, it will take about two years to populate the database with a sufficient number of ratings for vendors.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2015

C. Regional Procurement Office

Joint acquisition plan procurement

28. **In paragraph 52 of its report, the Board recommended that the Procurement Division assess the lessons to date in developing joint acquisition plans and address the areas where there is scope for improvement.**

29. The Administration reviewed the lessons learned and, as indicated in the recently completed audit by the Office of Internal Oversight Services (OIOS) on procurement activities at the Regional Procurement Office in Entebbe, Uganda, it has implemented three of the four recommendations related to joint acquisition plans, namely, it has developed a framework policy and governance model for the Regional Procurement Office that includes terms of reference for the Regional Procurement Steering Group and mechanisms for periodic reviews of joint acquisition plans by responsible officials of participating missions. The Steering Group formally approved the 2013/2014 joint acquisition plans. The fourth OIOS recommendation will be implemented as part of the 2014/2015 joint acquisition plan.

Department responsible:	Department of Management
Status:	In progress
Priority:	High
Target date:	Third quarter of 2014

Mission-specific procurement

30. **In paragraph 56 of the report, the Procurement Division agreed with the Board's recommendation that, in consultation with the Office of Central Support Services, it explicitly define the role and nature of mission-specific procurement undertaken by the Regional Procurement Office.**

31. The Administration includes criteria for selecting mission-specific procurement actions in a newly developed framework policy for the Regional Procurement Office. The Administration also referred the Board to the recently completed audit by OIOS on procurement activities at the Regional Procurement Office in Entebbe, which had a similar recommendation, and confirmed its implementation.

Department responsible:	Department of Management
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

Risk management in solicitation activities

32. **In paragraph 59 of its report, the Board recommended that the Procurement Division, in consultation with the Office of Legal Affairs, re-evaluate the validity and cost-effectiveness of innovative solicitation methods.**

33. The Administration believes that the inherent risks mentioned in the Board's report with regard to a specific solicitation type are mitigated in the various contractual clauses. The Procurement Division will, however, initiate discussions with the Office of Legal Affairs on the application of risk-mitigating contractual clauses and seek its advice on contractual mechanisms to secure prices in order to ensure the cost-effectiveness of these solicitations. With regard to "innovative solicitations", the Administration notes that tenders, with the aim of having multiple vendors on standby for requirements with fixed ceiling prices, are in fact not a new approach, but have been an established practice for certain requirements, such as freight forwarding.

Departments responsible:	Department of Management and Office of Legal Affairs
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2015

Cost-benefit evaluation and reporting

34. **In paragraph 62 of the report, the Administration agreed with the Board's recommendation that it define a consistent and more robust evaluation method for assessing the cost-effectiveness of the Regional Procurement Office.**

35. The Administration agreed to work on establishing a comprehensive cost-effectiveness methodology, under the guidance of the Procurement Division, which will be quantifiable, objective and consistent.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2015

D. Budget formulation and management

Mission-specific weaknesses

36. **In paragraph 68 of its report, the Board recommended that the Administration review all the identified weaknesses in budget formulation and develop improved principles and methodologies for each budget item, to assist missions in formulating realistic, consistent and reliable budgets.**

37. The Administration's comments are reflected in paragraph 69 of the Board's report. In addition, the Administration would like to clarify that the distinct institutional role of the Office of Programme Planning, Budget and Accounts in relation to budget formulation is to provide overall guidance contained in the Controller's instructions issued in July each year, which address peacekeeping cross-cutting and mission-specific issues arising from decisions, requests and recommendations made by the legislative bodies during their consideration of the proposed budgets for the then current financial period. The Office of Programme Planning, Budget and Accounts will continue to regularly review the Controller's budget instructions and costing forms and make adjustments to meet legislative requests, recommendations and requirements and audit recommendations and make other improvements to facilitate the work of the missions.

Departments responsible:	Department of Peacekeeping Operations, Department of Field Support and Department of Management
Status:	In progress
Priority:	High
Target date:	Second quarter of 2015

38. **In paragraph 70 of its report, the Board also recommended that the Administration update the current costing sheet templates to embed historical data and other relevant information regarding each budget item.**

39. The Administration's comments are reflected in paragraph 71 of the Board's report. In addition, the Administration would like to clarify the review and assessment of budget proposals that are carried out from the time a budget proposal is submitted to Headquarters until the finalization of a budget report. Each proposal for resource requirements is reviewed taking into account the mandate of the mission, historical budget implementation and justifications provided by the missions for the proposed requirements. The Financial Regulations and Rules of the United Nations and the decisions and recommendations of the General Assembly, the Advisory Committee on Administrative and Budgetary Questions, the Board of Auditors and OIOS are also taken into account. During the review process, the Office of Programme Planning, Budget and Accounts liaises with the Department of

Field Support on all questions and clarifications with respect to resource proposals for peacekeeping missions. Additional justifications or supporting information with respect to the proposed requirements may be requested. The information contained in the costing sheets, as well as additional justifications and subsequent supporting information provided during the review process, form the basis of the proposed budgets.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Ongoing

Headquarters budget review

40. **In paragraph 74 of its report, the Board recommended that the Administration develop a comprehensive and standardized budget review process detailing the review methodology and clarifying the information missions need to submit and the respective roles and accountabilities of the Department of Peacekeeping Operations, the Office of Programme Planning, Budget and Accounts and the Department of Field Support in budget review.**

41. The Administration's comments are reflected in paragraphs 75 and 76 of the Board's report. In addition, based on lessons learned from the joint review of budget proposals in United Nations Headquarters, improvements will be proposed where applicable.

Departments responsible:	Department of Peacekeeping Operations, Department of Field Support and Department of Management
Status:	In progress
Priority:	High
Target date:	Second quarter of 2015

Mission budget review

42. **In paragraph 78 of its report, the Board recommended that the Administration consider the establishment of sub-steering committees at all missions to conduct an in-depth and comprehensive review of resource estimates to enable more effective decision-making by budget steering committees.**

43. The Administration will remind missions where there is no established review process to put such a mechanism in place. This will ensure additional review of the budget before the heads of missions submit the budget proposals to United Nations Headquarters.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2014

Frequent and widespread budget redeployments

44. **In paragraph 82 of its report, the Board recommended that the Administration strengthen its monitoring of the status of the allotment of missions and ensure that proper approval is obtained before redeployments are made between groups and classes.**

45. The Administration's comments are reflected in paragraph 83 of the Board's report. In addition, as previously indicated to the Board, the Administration would like to note that redeployments across groups and classes are an essential feature of allotment management to provide missions with the required flexibility to deliver on their mandates. The variances against the approved budget that arise during budget implementation are reported to the General Assembly. Acknowledging that proper management of funds is an important feature to ensure accountability in budget implementation in accordance with approved legislative mandates, the Office of Programme Planning, Budget and Accounts will continue its stringent monitoring and review of redeployments of funds between groups and, where necessary, seek further clarification or justification from the peacekeeping missions.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2015

Redeployment requested by Headquarters to cover unbudgeted costs

46. **In paragraph 85 of its report, the Administration agreed with the Board's recommendation that costs for key cross-mission projects be adequately discussed and considered at the budget formulation stage and budgeted formally and from the outset, rather than through redeployment.**

47. The Administration's comments are reflected in paragraphs 84 and 86 of the Board's report.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

E. Human resources management

Deployment of civilian staff

48. **In paragraph 90 of its report, the Board recommended that the Administration review how it might: (a) strengthen the linkage between mandate and staff deployment; and (b) reinforce management accountability by importing a deployment indicator into the human resources management assessment system.**

49. Regarding part (a) of the recommendation, the Administration considers that there is no need for an additional review of the current situation as it would likely confirm findings that are already known to the Administration and might not result in actions that could be implemented in view of the current internal and external

constraints. Additionally, this issue, among others, is already being examined in the context of the civilian staffing reviews that the Department of Field Support is undertaking in individual missions during 2013-2015. In 2013, the United Nations Operation in Côte d'Ivoire (UNOCI), the African Union-United Nations Hybrid Operation in Darfur (UNAMID) and the United Nations Interim Force in Lebanon (UNIFIL) were reviewed. In 2014, the review will comprise the United Nations Stabilization Mission in Haiti (MINUSTAH), the United Nations Mission for the Referendum in Western Sahara (MINURSO), the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO), the United Nations Interim Security Force for Abyei (UNISFA) and UNMISS. The reports on the reviews for UNOCI and UNAMID have already noted the concentration of civilian staff in mission headquarters.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	High
Target date:	Ongoing

50. The Administration's comments on part (b) of the recommendation are reflected in paragraph 91 of the Board's report.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	High
Target date:	Second quarter of 2014

National staff recruitment

51. **In paragraph 93 of its report, the Board recommended that the Department of Field Support and the Office of Human Resources Management develop a national staff recruitment standard operating procedure and establish how they will monitor and enforce mission compliance.**

52. The Office of Human Resources Management has indicated that a revision of the administrative instruction on the staff selection system has been drafted and circulated for comments. The policy will be extended to locally recruited staff in field missions to ensure that there is a common selection policy. Once the administrative instruction is finalized and promulgated, the Department of Field Support will develop a national staff recruitment standard operating procedure to be used by the field missions.

Departments responsible:	Department of Field Support and Department of Management
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2015

Evaluation and accountability

53. **In paragraph 96 of its report, the Board recommended that the Administration: (a) continue to monitor and expedite the appraisal of staff in**

all missions; and (b) strengthen the linkage between performance in appraisals, accountability for delivery and reward and recognition.

54. The Administration's comments are reflected in paragraph 97 of the Board's report.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Ongoing

F. Vehicle fleet management

Vehicle entitlements and utilization

55. **In paragraph 107 of its report, the Board recommended that the Administration: (a) take into account identified factors such as the mission transport area when revising the transport manual; and (b) in line with the new regulations, require missions to conduct a survey to determine their specific operational requirements for vehicles and how they will optimize vehicle distribution accordingly.**

56. The Administration is drafting a new surface transport manual, in which the related chapters on "assignment of vehicles" and "transportation to and from work" will be revised and supplemented.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2014

G. Air operation management

57. **In paragraph 110 of its report, the Board recommended that the Administration strengthen aviation management by improving the link between planning assumptions, operational requirements and contractual/budgeting processes based on the development of an effective performance measurement framework.**

58. The Administration's comments are reflected in paragraph 111 of the Board's report.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2014

H. Fuel management

Strategic fuel reserves

59. **In paragraph 114 of its report, the Board recommended that the United Nations Disengagement Observer Force (UNDOF) and UNOCI establish strategic fuel reserves as soon as possible to support the mission mandate.**

60. UNOCI has initiated action to establish a strategic fuel reserve in the mission area. In UNDOF, strategic fuel reserves were established only in certain areas owing to local circumstances.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2014

Control over fuel under the turnkey contract model

61. **In paragraph 117 of its report, the Board recommended that the Administration enhance the effectiveness of monitoring of fuel consumption through trend analysis, systematic reporting of abnormal consumption, prompt corrective and disciplinary action against suspected frauds, and the promotion of monitoring tools such as the electronic fuel management system.**

62. The Administration's comments are reflected in paragraphs 118 and 123 of the Board's report.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Fourth quarter of 2014

Weakness in fraud prevention in fuel management

63. **In paragraph 121 of its report, the Board recommended that the Administration enhance the role of the Fuel Operation Unit in fuel fraud prevention.**

64. **In paragraph 122 of its report, the Board also recommended that the Administration encourage the Fuel Working Group to start communication activities as soon as possible, and establish a similar coordination mechanism within fuel-related units at missions.**

65. The Administration agreed with the two recommendations in paragraphs 121 and 122 of the Board's report and is committed to enhancing control over fuel consumption through: (a) providing enhanced fuel monitoring tools; (b) recommending adequate staffing for local fuel units; (c) advising missions to pursue thorough investigations of abnormal fuel consumption levels and encouraging them to report fraud cases and to take prompt correction action; and (d) amending the fuel operations manual to empower and provide adequate resources to the Headquarters Fuel Operations Unit to enhance its fuel fraud prevention role. In addition, missions would be encouraged to set up their own fuel working group.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Fourth quarter of 2014

I. Construction projects management

66. **In paragraph 126 of the report, the Administration agreed with the Board's recommendation that it: (a) expedite the promulgation of governance guidelines for major construction projects; and (b) obtain timely status reports on projects in missions to facilitate effective project monitoring and intervention.**

67. The Administration's comments are reflected in paragraph 127 of the Board's report.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Second quarter of 2014

J. Medical support management

68. **In paragraph 131 of its report, the Board recommended that the Administration: (a) enhance medical supply management in field missions, including enhanced coordination and cooperation across missions; and (b) evaluate the functionality of equipment that has exceeded its expected life and periodically assess the functionality of all medical equipment to mitigate the potential risks to personnel and overall operational effectiveness.**

69. As earlier indicated to the Board, system contracts are established to expedite the restocking of drugs and medical consumables. All medical facilities should maintain a 60-day reserve of medicines and consumables to avoid shortages. The Department of Field Support will liaise with the missions to enforce the guidance on the reserve stock requirements. The Administration's other comments are reflected in paragraph 132 of the Board's report.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Second quarter of 2014

K. General and cross-pillar observations

Need for clear definition of the end-state vision for each pillar of the global field support strategy

70. **In paragraph 136 of the report, the Administration agreed with the Board's recommendation that it clearly define the end-state for each of the global field support strategy pillars, including end-state articulations on functional specialization for service providers, business process improvement and leveraging the benefits associated with Umoja and the International Public Sector Accounting Standards (IPSAS). These should all be clarified in the next annual global field support strategy performance report.**

71. The Administration will ensure that end-states are clearly defined in the global field support strategy progress report that will be submitted to the General Assembly at its sixty-eighth session.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	High
Target date:	First quarter of 2014

Need for a systematic approach for missions implementing global field support strategy tools and principles

72. **In paragraph 141 of the report, the Administration agreed with the Board's recommendation that it develop a more systematic approach for missions to draw on when implementing global field support strategy tools and principles. This will include a plan on how such tools and principles will be deployed in missions after the five-year project duration.**

73. The Department of Field Support will develop guidance for the more systematic use of global field support strategy tools and principles. In addition, the Department will develop a plan to ensure the sustainment of relevant global field support strategy tools beyond 1 July 2015.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2015

Governance

74. **In paragraph 144 of the report, the Administration agreed with the Board's recommendation that it: (a) improve coordination across the modularization project, especially between the Global Service Centre, the Logistics Support Division of the Department of Field Support and the Procurement Division; (b) strengthen the functioning of the revised modularization project governance; and (c) clarify the work scope and authorities of strategic flights between the Strategic Air Operations Centre at the Global Service Centre and the Transportation and Movements Integrated Control Centre at the Regional Service Centre.**

75. The Administration's actions on parts (a) and (b) of the recommendation are reflected in paragraph 143 of the Board's report.

76. The Project Manager is the Head of Logistics Services at the Global Service Centre. In this regard, project leadership and accountability are fully aligned and all project inputs are coordinated by the Project Manager and Project Sponsor. Any project delays or risks of delays are raised by the project management at the level of the Global Service Centre Steering Committee for resolution. The Department of Field Support does not agree that the project is delayed 18 months and does not believe there is evidence to warrant that conclusion.

77. Regarding part (c) of the recommendation, the roles and responsibilities of the Transportation and Movements Integrated Control Centre at the Regional Service Centre-Entebbe are clearly defined in paragraph 79 (b) of the report of the Secretary-General on the global field support strategy (A/64/633) and paragraph 27 of the report of the Secretary-General on the overview of the financing of peacekeeping operations: budget performance for the period from 1 July 2008 to 30 June 2009 and budget for the period from 1 July 2010 to 30 June 2011 (A/64/643). Similarly, the roles and responsibilities of the Strategic Air Operations Centre at the Global Service Centre are clearly defined in paragraph 28 of the report of the Secretary-General on the overview of the financing of peacekeeping operations (A/64/643).

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	High
Target date:	Not applicable

Project communication strategy

78. **In paragraph 148 of its report, the Board recommended that the Administration review and enhance its approach to the communication strategies and approaches being adopted across the global field support strategy initiative and that concrete actions be taken to address the findings from the surveys undertaken.**

79. The Administration's comments are reflected in paragraph 150 of the Board's report.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2014

80. **In paragraph 149 of its report, the Board also recommended that the Administration nominate a staff member to be responsible and accountable for the full implementation of the Regional Service Centre communication strategy.**

81. While the recruitment of a full-time Communications Officer at the Regional Service Centre-Entebbe is pending approval, communications activities are being performed by a staff member on assignment in Entebbe.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

Performance management

82. **In paragraph 155 of its report, the Administration agreed with the Board's recommendation that it: (a) establish baselines and targets for the strategic key performance indicators and clarify the methodology to collect the data relating to baselines and actual performance; and (b) clearly define the reporting periods and frequency for key performance indicators.**

83. The Administration's comments on part (a) of the recommendation are reflected in paragraph 156 of the Board's report. In addition, the revised performance framework will be attached as annex I to the report of the Secretary-General on the overview of the financing of peacekeeping operations that will be submitted to the General Assembly at its sixty-eighth session.

84. The Administration accepts part (b) of the recommendation in part, noting that key performance indicators are in place within the global field support strategy performance framework on an annual reporting cycle. These indicators will be presented, with targets, in the global field support strategy progress report to be submitted to the General Assembly at its sixty-eighth session. Operational key performance indicators within service centres will be reported on more regularly since they relate to transactional performance, not systemic improvement.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2014

Insufficient and incomplete reporting of some performance

85. **In paragraph 158 of the report, the Administration agreed with the Board's recommendation that it refine the reporting of its performance against the established key performance indicators at the Regional Service Centre to ensure that performance is reported in a more detailed and comprehensive manner.**

86. Key performance indicators for the Transportation and Movements Integrated Control Centre and the Regional Training and Conference Centre are already being reported effective August and September 2013 respectively. The Administration's other comments are reflected in paragraph 159 of the Board's report.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2014

Benefits management

87. **In paragraph 161 of the report, the Board reiterated its previous recommendation that the Administration: (a) develop a benefits management strategy for the global field support strategy; (b) report the cost savings and benefits, either direct or indirect, qualitative or quantitative, in a consolidated manner against the original objectives of the global field support strategy; and (c) ensure that a standardized methodology is developed to calculate and fully substantiate all the savings.**

88. The Administration's comments are reflected in paragraph 162 of the Board's report.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	High
Target date:	First quarter of 2014

L. Service centres

Planning and arrangements for the transfer of functions

89. **In paragraph 167 of its report, the Board emphasized the recommendation made previously (see A/67/5 (Vol. II), chap. II, para. 202) that the Administration establish comprehensive and effective planning arrangements for the transfer of functions.**

90. The Department of Field Support would like to clarify that the only transfer currently proposed is of the education grant function from the Global Service Centre to the Regional Service Centre-Entebbe. This transfer will be planned and overseen by the Steering Committees. The Administration will have an education grant transfer plan in place by the second quarter of 2014.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2014

Service delivery in the Regional Service Centre

91. **In paragraph 170 of its report, the Board recommended that the Administration sufficiently plan all arrangements before shifting from a function- to a service line-based service delivery model and address the shortcomings in the Regional Service Centre's service delivery quality.**

92. The Administration's comments are reflected in paragraph 171 of the Board's report.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2014

Need for further consolidation of education grant processing

93. **In paragraph 173 of the report, the Administration agreed with the Board's recommendation that it consolidate education grant processing functions being performed at the Global Service Centre and the Regional Service Centre to facilitate consistent working processes and improved education grant service delivery.**

94. The Administration indicates in its 2014/15 budget proposals that the education grant function for field missions should be consolidated at the Regional Service Centre-Entebbe as a pilot initiative. This proposal to establish a global administrative function at the Regional Service Centre-Entebbe presents an opportunity for the United Nations Secretariat to test the concept in practice. The launch of Umoja Extension 1 for peacekeeping operations in 2014 is another important driver for this approach.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2014

Civilian pre-deployment training not being performed at the Regional Service Centre-Entebbe

95. **In paragraph 176 of its report, the Board recommended that the Administration conduct a wider review and present a business case on whether the Regional Service Centre-Entebbe is the optimal location to take over civilian pre-deployment training, and develop a comprehensive implementation plan for the transfer if considered viable.**

96. The Administration is currently preparing the terms of reference of a comprehensive review of pre-deployment training for civilian staff. This review will build on the evaluation report by the Department of Field Support on civilian pre-deployment training, dated 5 November 2013. The objective of this process is to provide suggestions on: (a) the modality of course delivery (e-learning, face-to-face or blended); (b) the duration of the course; and (c) location, based not only on travel-related costs, but also the capacity to provide efficient administrative, logistics and technical support to the course. The Department of Field Support is also planning to include a risk assessment in the review of any possible models of pre-deployment training in terms of: (a) impact to safety and security of staff; (b) overall understanding of the strategic purposes of peacekeeping and cross-cutting areas related to it; and (c) ultimately, the overall performance of new mission staff.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Third quarter of 2014

Optimizing the use of air resources

97. **In paragraph 179 of its report, the Board recommended that the Administration analyse the performance of aircraft under the tasking authority of the Transportation and Movements Integrated Control Centre.**

98. The Administration notes that while it recognizes the scope for further optimization of air resources, the analysis of aircraft utilization under the Transportation and Movements Integrated Control Centre has been carried out since 1 July 2013 and reported in the Regional Service Centre's monthly reports.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

99. **In paragraph 180 of its report, the Board also recommended that the Transportation and Movements Integrated Control Centre review and refine, in collaboration with client missions, its integrated regional flight schedule on a regular basis, aiming for optimized regional air transportation through integrated planning and execution based on aggregated demand.**

100. The Administration would like to point out that integrated regional flight schedule reviews are part of the workplan of the Transportation and Movements Integrated Control Centre and that they are conducted on a regular basis.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

M. Finance pillar

101. **In paragraph 187 of its report, the Board recommended that the Administration: (a) base funding for staffing costs on the staffing table actually being proposed, if available at the time of submitting the standardized funding model budget (as in the case of the United Nations Multidimensional Integrated Stabilization Mission in Mali (MINUSMA)); and (b) improve the estimation model for aircraft numbers in the first year of operation.**

102. Regarding part (a) of the recommendation, the Department of Field Support would like to clarify that the funding requirement for civilian personnel in the standardized funding model is based on recruitment experience and achievability in the first year of a new start-up mission. Therefore, it is already reflective of a realistic and appropriate phased deployment of civilian personnel, which in turn

provides for a more responsive funding requirement in the standardized funding model for civilian personnel. However, the Department of Field Support does consider that, where possible, the actual planned staffing table for a mission should be used in the standardized funding model, if available at the time of submitting the standardized funding model budget, as proposed by the Administration, and as was the case with the MINUSMA budget.

103. Regarding part (b) of the recommendation, the Department of Field Support reiterates that there are several factors that influence the deployment of aircraft. As earlier explained to the Board, the model recognizes that the requirements for aircraft are best represented by the size and logistical challenges of the mission; the standard fleet of 11 aircraft for scenario I missions and 34 aircraft for scenario II missions therefore remains appropriate. This model is necessarily simplified, since in discussions with subject-matter experts, it was determined that it is difficult to create a standard that provides a more detailed level of certainty with flexibility to cover all possible scenarios. To address this, the standardized funding model has incorporated an option to allow for the establishment of a mission-specific air fleet that incorporates all the factors noted in paragraph 186 (a) of the Board's report.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

104. **In paragraph 188 of the report, the Administration agreed with the Board's recommendation that it establish a resource management committee (or similar mechanism) in MINUSMA to improve resource stewardship.**

105. The Administration has initiated action to implement this recommendation.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2014

N. Modularization

Significant delays in the development of the statement of work for enabling capacity

106. **In paragraph 195 of its report, the Board recommended that the Administration expedite the development of the remaining seven modules and the associated procurement strategy for enabling capacity within the one and a half years left for the global field support strategy to be implemented, so that capability for rapid mission deployment is fully achieved as soon as possible.**

107. The Administration's comments are reflected in paragraph 196 of the Board's report.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: High
Target date: Second quarter of 2015

O. Supply chain reform

108. **In paragraph 204 of its report, the Board recommended that the Administration, drawing on lessons from the project management of the global field support strategy, address deficiencies in the management of the supply chain reform. In particular, the Administration should establish effective project governance and a dedicated team and formalize the concept document so that each party can clearly understand the vision, project timeline, roles and responsibilities, and can accept its accountability for delivery.**

109. The initial concept is being developed into a clear project framework, beginning with a brief for the "right-sourcing" project that will address key areas of concern identified by the Board.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: Medium
Target date: Second quarter of 2014

Deficiencies in global acquisition planning and asset management

110. **In paragraph 209 of its report, the Board recommended that the Administration address the identified deficiencies in acquisition planning and global asset management.**

111. On the global acquisition planning part of the recommendation, the Administration's comments are reflected in paragraph 37 of the Board's report and on the global asset management part of the recommendation, the Administration's comments are reflected in paragraph 23 of the Board's report.

Departments responsible: Department of Peacekeeping Operations and Department of Field Support
Status: In progress
Priority: High
Target date: Second quarter of 2014

III. Implementation of the recommendations contained in the report of the Board of Auditors concerning United Nations peacekeeping operations for prior financial periods

112. In paragraph 8 of General Assembly resolution 67/235 B, the Secretary-General was requested to provide, in his next report on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations, a full explanation for the delays in the implementation of all outstanding

recommendations of the Board, the root causes of the recurring issues and the measures to be taken.

113. In paragraph 22 of the report of the Advisory Committee on Administrative and Budgetary Questions on the Secretary-General's second progress report on the accountability system in the United Nations Secretariat (A/67/776), which was endorsed by the General Assembly in its resolution 67/253, the Secretary-General was requested to address the root causes of the recurring issues identified by the Board. The Department of Management, in coordination with the Department of Field Support, undertook an analysis of some recent reports of the Board, the results of which are reported in annex I to the Secretary-General's third progress report on the accountability system in the United Nations Secretariat (A/68/697).

114. In annex II to its report for the period ended 30 June 2013 (A/68/5 (Vol. II)), the Board provided a summary of the status of implementation of the 69 recommendations[2] from previous financial periods. Of the 69 recommendations, 3 had been overtaken by events, 38 had been implemented by the Administration and 28 were in progress at the time the Board issued its report for the period ended 30 June 2013. Information on the 28 recommendations that were in progress is provided in table 3 below and is set out in the order in which the recommendations were presented in the report of the Board for the period ended 30 June 2012 (A/67/5 (Vol. II)).

115. Table 3 provides a detailed analysis of the status of implementation, as at January 2014, of the 28 recommendations that were assessed by the Board to be in progress.

Table 3
Status of implementation of outstanding previous recommendations as at January 2014

Department responsible	*Number of recommendations*	*Overtaken by events or not accepted*	*Implemented*	*In progress*	*Target date set*	*No target date*
Department of Peacekeeping Operations and Department of Field Support	23	2	13	8	7	1
Department of Peacekeeping Operations, Department of Field Support and Department of Management	4	–	2	2	2	
Department of Management	1	–	–	1	1	–
Total	**28**	**2**	**15**	**11**	**10**	**1**

116. It should be noted that, of the 28 recommendations that were in progress as per annex II to the Board's report (A/68/5 (Vol. II), 1 recommendation was overtaken by events, 1 was not accepted and 15 were subsequently implemented as at January 2014.

[2] The Board has previously counted recommendations based on the number of paragraphs in which they appeared in its reports. However, if a recommendation has several parts in the same paragraph, beginning with its report A/68/5 (Vol. II), the Board will count each part as a separate recommendation.

Out of the 11 recommendations that remain in progress, 10 are targeted for implementation before the end of 2014 and 1 without a target date is of an ongoing nature.

Insufficient assurance over the value of non-expendable properties

117. **In paragraph 42 of its report for the period ended 30 June 2012 (A/67/5 (Vol. II)), the Board recommended that the Administration (a) take measures to determine the location and real status of the liquidated missions' assets still in transit; (b) register donated assets on the basis of comprehensive physical verification and make disclosure in financial year 2012/13; and (c) require the missions to expedite the process of reconciliation of discrepancies.**

118. The Board confirmed in annex II to its report (A/68/5 (Vol. II)) that parts (a) and (b) of the recommendation had been implemented.

119. With regards to part (c) of the recommendation, as part of the IPSAS reporting instructions on assets, field missions were requested to focus on items of property, plant and equipment that will be disclosed on the face of the financial statements of the Organization. As at 27 January 2014, there are only seven such items, with a carrying cost of $42,270, marked as "not found yet".

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

High risk of loss or waste from "never-used" non-expendable property

120. **In paragraph 52 of its report (A/67/5 (Vol. II)), the Board reiterated its previous recommendation that the Administration (a) closely monitor never-used non-expendable property and do a full review to ascertain what should be impaired or written off; and (b) periodically review the implementation of the acquisition plans and ensure that they are used to facilitate procurement being carried out in an appropriate manner.**

121. On part (a) of the recommendation, the Administration took continuous measures for enhancing the asset utilization in field missions throughout the reporting period. Key actions in this area were defined in the Department of Field Support Directive and Workplan on Property Management for the financial year 2013. The Department has established a mechanism for periodic review of the monitoring of the asset utilization in the field missions, where the missions were requested to utilize the corporate business intelligence tools and key performance indicators, such as "ageing stock", "good surplus" and "equipment utilization time frame" in order to assess equipment utilization rates and establish an optimal commodity distribution strategy. The Department has monitored the performance within the quarterly performance reporting mechanism and followed up with recommendations for improvement. The Administration's other comments are reflected in paragraph 21 of the Board's report (A/68/5 (Vol. II)).

122. Regarding part (b) of the recommendation, the Administration's comments are reflected in paragraph 23 of the Board's report (A/68/5 (Vol. II)).

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

123. **In paragraph 53 of its report (A/67/5 (Vol. II)), the Board also recommended that the Administration ensure that missions review the amount of assets already in stock before acquisition and request new assets based on a realistic estimate of demand, and that it strengthen the validation of the reasonableness of asset transfers requested by missions.**

124. The Administration's comments are reflected in paragraph 21 of the Board's report (A/68/5 (Vol. II)).

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	High
Target date:	Not applicable

Lack of consolidation of requisitions for the same or similar products

125. **In paragraph 77 of the report (A/67/5 (Vol. II)), the Administration agreed with the Board's recommendation that it enhance control of strategic planning of peacekeeping procurements by consolidating demand for goods and services across the missions to identify and secure economies of scale.**

126. The Administration's comments are reflected in paragraph 37 of the Board's report (A/68/5 (Vol. II)).

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	High
Target date:	Second quarter of 2014

Vendor management

127. **In paragraph 91 of the report (A/67/5 (Vol. II)), the Administration agreed with the Board's recommendation that the Procurement Division ensure the reliability of vendor data by regularly updating vendor information and incorporating vendor performance records into its vendor database.**

128. As part of Umoja implementation, there will be a real-time interface between the registration portal accessible by vendors (United Nations Global Marketplace) and Umoja. Once the vendor information is updated by the vendor through the portal, the relevant information will be automatically reflected in Umoja. The new registration portal also accommodates ratings by United Nations system users. The Procurement Division is exploring the possibility of utilizing these ratings along with the vendor performance reports for contract award purposes.

Department responsible:	Department of Management
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2014

Unrealistic flight hours included in the aviation cost estimation

129. **In paragraph 102 of its report (A/67/5 (Vol. II)), the Board recommended that the Administration ensure that missions take into account the historical data relating to the budget assumptions and foreseeable factors, in particular, the actual flight hours recorded for types of aircraft, when formulating their aviation budgets.**

130. The Administration's comments are reflected in paragraph 111 of the Board's report (A/68/5 (Vol. II)).

Departments responsible:	Department of Peacekeeping Operations, Department of Field Support and Department of Management
Status:	In progress
Priority:	Medium
Target date:	Second quarter of 2014

No consideration of non-operational days in setting the guaranteed fleet cost

131. **In paragraph 105 of its report (A/67/5 (Vol. II)), the Board recommended that the Administration ensure that non-operational days be given due consideration in estimating aviation costs to make the estimates more realistic and reasonable.**

132. The Administration reiterates that the future planning of aircraft non-deployment or non-availability of aircraft owing to factors such as extended maintenance periods and crew sickness cannot be predicted and that there is no consistent level across missions that would lead to a useful estimate. Taking the example of UNAMID cited by the Board, the variance could not have been foreseen and if this were now included as part of historical data, it would distort the data for all other missions.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Not accepted
Priority:	Medium
Target date:	Not applicable

Inadequate consideration of historical trends in contingents' rotation frequency

133. **In paragraph 118 of its report (A/67/5 (Vol. II)), the Board recommended that missions: (a) take due consideration of the historical records of relevant factors, such as delayed deployment factors and rotation of troops, when formulating budget assumptions; and (b) provide sufficient justifications and quantify the impact of foreseeable factors where possible if there are large variances between historical performance records and the figures applied within the formulation of the budget.**

134. The Board confirmed in annex II to its report (A/68/5 (Vol. II)) that part (b) of the recommendation had been implemented. With respect to part (a) of the recommendation, the Administration reiterates that it already takes into consideration the historical data on delayed deployment factors and vacancy/delayed recruitment factors and undertakes all possible action to ensure that the factors/rates applied in proposed budgets are as realistic as possible. The Administration is of the view that no further action can be taken and therefore considers this part of the recommendation implemented.

135. The Administration also welcomes the recognition by the Advisory Committee on Administrative and Budgetary Questions in paragraph 34 of its report on observations and recommendations on cross-cutting issues related to peacekeeping operations (A/67/780) of the recent improvements in the forecasting of delayed deployment factors for the uniformed component in different missions.

Departments responsible:	Department of Peacekeeping Operations, Department of Field Support and Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

Contingent-owned equipment costs

136. **In paragraph 121 of its report (A/67/5 (Vol. II)), the Board recommended that the Administration (a) apply more realistic assumptions in calculating the non-deployment factor and unserviceability factor by taking account of the specific situations and historical deployment trends of military contingents and formed police units when budgeting for major items of contingent-owned equipment; and (b) take the unacceptable factor into account when budgeting for contingent-owned self-sustainment equipment.**

137. The Administration's comments are reflected in paragraph 65 of the Board's report (A/68/5 (Vol. II)).

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

Overall conclusion on budget management

138. **In paragraph 135 of its report (A/67/5 (Vol. II)), the Board reiterated its previous recommendation that field missions and Headquarters implement more stringent reviews of the budget submissions to ensure that they are formulated in a consistent, accurate and appropriate manner.**

139. The Administration's comments are reflected in paragraph 75 of the Board's report (A/68/5 (Vol. II)). In addition, the Administration will remind missions where there is no established review process to put such a mechanism in place. This will ensure additional review of the budget before the Heads of Missions submit the budget proposals to United Nations Headquarters.

Departments responsible:	Department of Peacekeeping Operations, Department of Field Support and Department of Management
Status:	In progress
Priority:	High
Target date:	Fourth quarter of 2014

Vacancy rates

140. **In paragraph 142 of its report (A/67/5 (Vol. II)), the Board recommended that the Administration take urgent measures to fill vacancies in peacekeeping operations, especially for the senior and key posts, in an expeditious manner.**

141. The Administration would like to reiterate its comments in paragraph 82 of the report of the Secretary-General on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2012 (A/67/741).

142. In addition, the Board confirmed in paragraph 87 of its report (A/68/5 (Vol. II)) that the vacancy rate had been reduced. The overall vacancy rate for peacekeeping missions decreased by 1.3 per cent, from 14.5 per cent as at 30 June 2012 to 13.2 per cent as at 30 June 2013. Furthermore, the post of Chief Procurement Officer at UNISFA was filled in April 2013.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	Ongoing

Vehicle fleet management

143. **In paragraph 146 of its report (A/67/5 (Vol. II)), the Board reiterated its recommendation that the Department of Field Support carry out a thorough review of vehicle entitlements at missions to identify the scope for savings.**

144. The Administration's comments are reflected in paragraph 106 of the Board's report (A/68/5 (Vol. II)).

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2014

Deficiencies in the management of composite ration packs

145. **In paragraph 152 of the report (A/67/5 (Vol. II)), the Administration agreed with the Board's recommendation that it request all field missions to monitor composite rations pack stock levels periodically to maintain stock levels in line with minimum strategic reserve requirements.**

146. The Board indicated in its interim reports on UNMISS and UNAMID that the recommendation had been implemented. UNISFA also confirmed compliance with the strategic reserve requirements.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

Non-compliance with the advance purchase policy

147. **In paragraph 163 of the report (A/67/5 (Vol. II)), the Administration agreed with the Board's recommendation that it: (a) continue to monitor the rates of compliance with the advance purchase policy; and (b) provide further guidance to peacekeeping missions to enhance internal controls over the approval of travel requests made within two weeks of the date of travel.**

148. The Board confirmed in annex II to its report (A/68/5 (Vol. II)) that part (b) of the recommendation had been implemented. For part (a) of the recommendation, the Administration is monitoring the rates of compliance with the advance purchase policy. In particular, the Office of Central Support Services compiles quarterly reports on compliance for departments/offices at Headquarters and provides details to the Under-Secretary-General for Management, who in turn submits them to heads of departments/offices for their information and necessary action. The Office of Central Support Services also requested offices away from Headquarters and peacekeeping missions to report to it on their rates of compliance.

Departments responsible:	Department of Peacekeeping Operations, Department of Field Support and Department of Management
Status:	Implemented
Priority:	High
Target date:	Not applicable

Weaknesses in project governance

149. **In paragraph 179 of the report (A/67/5 (Vol. II)), the Administration also agreed with the Board's recommendation that it ensure that the Transportation and Movements Integrated Control Centre governance framework is strictly adhered to and regularly reviewed and updated to adapt to the new requirements. This would include establishing how not-yet-performed functions could be conducted on the basis of client missions' requirement analyses, and strengthening the management of troop rotation and regional passenger flight scheduling.**

150. The Transportation and Movements Integrated Control Centre governance framework is regularly reviewed and updated to adapt to the new requirements. The Control Centre road map covering outstanding functions was endorsed by the Regional Service Centre-Entebbe Steering Committee in January 2013. The logical framework specifying the Control Centre objectives and activities was approved in August 2013. The latest revisions of the road map and the logical framework were approved at the meeting of the Regional Service Centre-Entebbe Steering Committee in April 2013 and November 2013 respectively.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	Medium
Target date:	Not applicable

Weaknesses in benefits management

151. **In paragraph 188 of the report (A/67/5 (Vol. II)), the Administration agreed with the Board's recommendation that it develop a benefits realization plan to track, quantify and manage the intended benefits of the global field support strategy.**

152. The Administration's comments are reflected in paragraph 162 of the Board's report (A/68/5 (Vol. II)).

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	High
Target date:	First quarter of 2014

153. **In paragraph 189 of the report (A/67/5 (Vol. II)), the Administration also agreed with the Board's reiterated recommendation that it establish key performance indicators, baselines and expected outcomes for each of the four pillars of the global field support strategy and a system to monitor and report on their achievement.**

154. The Administration's comments in this regard are contained in paragraphs 82 and 83 of the present report, which relate to the recommendation in paragraph 155 of the Board's report (A/68/5 (Vol. II)).

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	High
Target date:	First quarter of 2014

155. **In paragraph 192 of the report (A/67/5 (Vol. II)), the Administration agreed with the Board's reiterated recommendation that it ensure that the costs are fully considered in the cost-benefit analysis and that the envisaged benefits are well justified.**

156. The Administration's comments are reflected in paragraph 162 of the Board's report (A/68/5 (Vol. II)).

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	Medium
Target date:	First quarter of 2014

157. **In paragraph 195 of the report (A/67/5 (Vol. II)), the Administration agreed with the Board's recommendation that it (a) determine who should be responsible and accountable for capturing and reporting the savings achieved**

by the Transportation and Movements Integrated Control Centre; (b) ensure that a standardized methodology is established to capture and report the savings and that the calculation process is well documented; (c) conduct a thorough review of and report the actual savings from January 2010 to June 2011 to the governing bodies again; and (d) ensure that the savings achieved by the Control Centre in 2011/12 are accurately reported in the Secretary-General's third progress report.

158. The Board confirmed in annex II to its report (A/68/5 (Vol. II)) that parts (a), (c) and (d) of the recommendation had been implemented.

159. The Administration's comments on part (b) of the recommendation are reflected in paragraph 162 of the Board's report (A/68/5 (Vol. II)).

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	High
Target date:	First quarter of 2014

Deficiencies in cost management

160. **In paragraph 199 of the report (A/67/5 (Vol. II)), the Administration agreed with the Board's recommendation that it establish a cost capturing and reporting mechanism to facilitate improved oversight of the costs of implementation by the governing bodies.**

161. In order to establish a cost capturing and reporting mechanism, the Regional Service Centre-Entebbe Steering Committee endorsed a proposal for a funding model document in July 2013. The Regional Centre has requested the establishment of a separate fund for more transparent reporting of the expenditures and the request is being considered by the Office of Programme Planning, Budget and Accounts. The separate fund will be an internal fund to facilitate the recording of expenditures during a fiscal period and will zero out at the end of the fiscal period.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	In progress
Priority:	High
Target date:	Third quarter of 2014

Service centres

162. **In paragraph 202 of the report (A/67/5 (Vol. II)), the Administration agreed with the Board's recommendation that it (a) ensure that the General Assembly's approval should be sought prior to any transfer of functions/posts to the Global Service Centre or the Regional Service Centre; (b) conduct sufficient planning and make sufficient arrangements to ensure that the Global Service Centre can take over functions in an expeditious manner; and (c) ensure that a detailed action plan is established to synchronize the transfer of functions and posts and standardize and streamline working procedures at the Regional Service Centre as soon as possible.**

163. The Board confirmed in annex II to its report (A/68/5 (Vol. II)) that parts (a) and (c) of the recommendation had been implemented.

164. With regard to part (b) of the recommendation, the 23 posts were successfully transferred from the Logistics Support Division to the Global Service Centre.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	High
Target date:	Not applicable

Errors in calculation

165. **In paragraph 212 of the report (A/67/5 (Vol. II)), the Administration agreed with the Board's recommendation that it address the deficiencies in budget assumptions and methodology to make the indicative budget in the standardized funding model more realistic and better justified.**

166. As indicated in paragraph 122 of the report of the Secretary-General on the implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2012 (A/67/741), the Administration would like to reiterate that the lessons-learned review requested by the General Assembly in its resolution 66/243 has been completed and has resulted in the revisions to the framework which were reported to the General Assembly in the Secretary-General's third annual progress report on the implementation of the global field support strategy (A/67/633).

167. The revised model provides for greater flexibility and responsiveness to specific mandate personnel levels and configurations, deployment rates, the availability of assets from other missions, aircraft configurations, mission locations, the implementation of the global field support strategy, and mandated specific tasks, such as mine action, disarmament, demobilization, reintegration, updated unit costing and prices. Also, the lessons-learned review took into account the technical observations of the Board.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	High
Target date:	Not applicable

Insufficient monitoring of the funds utilization

168. **In paragraph 219 of the report (A/67/5 (Vol. II)), the Administration agreed with the Board's recommendation that it (a) fully consider the actual situation and requirements of a new mission when making budget proposals based on the standardized funding model; and (b) establish a robust monitoring mechanism to monitor resource utilization in missions applying the standardized funding model.**

169. The Board confirmed in annex II to its report (A/68/5 (Vol. II)) that part (a) of the recommendation had been implemented.

170. Regarding part (b) of the recommendation, the Resource Allocation Committee, which meets quarterly, continued its function as the budget steering committee at UNMISS during the 2012/13 financial period, chaired by the Special Representative of the Secretary-General. Furthermore, the Board indicated in its interim report on UNMISS that the recommendation had been overtaken by events.

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Overtaken by events
Priority:	High
Target date:	Not applicable

Modularization

171. **In paragraph 224 of the report (A/67/5 (Vol. II)), the Administration agreed with the Board's recommendation that it (a) update the current project timeline to ensure that all the key activities are included; (b) duly monitor the progress against the project timeline and address in a timely fashion the risks that may cause delays in project implementation; and (c) establish an action plan to finalize the statement of work expeditiously to avoid further slippage.**

172. The Administration's comments are reflected in paragraph 139 of the Board's report (A/68/5 (Vol. II)).

Departments responsible:	Department of Peacekeeping Operations and Department of Field Support
Status:	Implemented
Priority:	High
Target date:	Not applicable